Belle Plaine CSD/EA

2004-2005 CEO 69 SECTOR 2

MEORINES MIO: 05

IN THE MATTER OF

INTEREST ARBITRATION

between

Belle Plaine Community School District,

PUBLIC EMPLOYER

and

Belle Plaine Education Association,

EMPLOYEE ORGANIZATION

ARBITRATION AWARD

lowa Public Employment Relations Board
CEO #69/Sector 2

Hearing Date: June 16, 2005

Dennis A. Krueger

Arbitrator

APPEARANCES

For the Employer:

Donald C. Hoskins, Attorney

Gary L. Ray, District Representative

Craig Okerberg, District Representative

Mike Milligan, Superintendent

For the Union:

David R. Ulrick, UniServ Director

Scott E. Frank, BPEA Negotiator

Beth E. Fay, BPEA Negotiator

Greg Walton, BPEA Negotiator

BACKGROUND

The Belle Plaine Community School District (hereinafter "District" or "Employer") is a public employer covered by the provisions of Chapter 20 of the Code of Iowa. The Belle

Plaine Education Association (hereinafter "Association" or "Union") is an employee organization certified under the same statutory provision by the Iowa Public Employment Relations Board and representing classroom teachers, guidance counselors, librarians, Title I teachers, and school nurses. The Employer and the Union are parties to a Collective Bargaining Agreement covering the duration from July 1, 2004, to June 30, 2005, which is part of this record and is Joint Exhibit #1. While bargaining collectively for many years, this is the first time that the professional unit of employees and the district have utilized arbitration to settle the terms and conditions of the master contract.

HEARING

This matter came for hearing at 10:00 AM on June 16, 2005 before the undersigned arbitrator who was appointed as impartial arbitrator through the utilization of an independent impasse agreement pursuant to Section 20.19 and 20.22 of the Iowa Public Employment Relations Act and mutual agreement of the parties. At the onset of the hearing the District and the Association waived panel member representation and agreed that the undersigned would be the sole arbitrator for this interest dispute. Both parties were afforded a complete opportunity to present written evidence and witnesses, to examine witnesses, and to argue their respective positions. The oral hearing concluded at approximately 2:00 PM on June 2, 2004, the parties chose to not file written briefs, and the record on which this decision is based was closed at that time. The parties agreed at the close of the hearing that the decision of the arbitrator is to be issued not later than June 28, 2005, by placing the award in ordinary mail addressed to the parties as designated on the appearance sheet.

In rendering these findings and the arbitration award, the arbitrator has given full consideration to all reliable information and evidence relevant to the two impasse items. The neutral has also reviewed the complete written record and tapes of this proceeding including exhibits, testimony, and arguments of the District and the Association. The arbitrator has likewise reviewed and used the criteria specified for arbitrator consideration in Section 20.22(9) of the Iowa Code. Specifically these criteria are the following:

- (a) Past collective bargaining contracts between the parties including the bargaining that led up to such contracts.
- (b) Comparison of wages, hours, and conditions of employment of the involved public employees with those of other public employees doing comparable work, giving consideration to factors peculiar to the area and the classifications involved.
- (c) The interests and welfare of the public, the ability of the public employer to finance economic adjustments, and the effect of such adjustments on the normal standard of services.
- (d) The power of the public employer to levy taxes and appropriate funds for the conduct of its operations.

STATEMENT OF THE IMPASSE ITEMS

The lowa Supreme Court in West Des Moines Education Association v. Public Employment Relations Board (1978) has stated that "In order to carry out this legislative intent we interpret the phrase "impasse item" means subject categories which requires the parties to submit to an arbitrator their final offer on a subject category basis. Each subject category submitted shall constitute an impasse item." Those subject categories are listed in the lowa Code at Section 20.9

The parties have agreed in the submission of final offers (Association Exhibits #3 and #4; District Exhibits I-6 and I-7) and through agreement during the hearing that the two subject categories remaining open for arbitral consideration are (1) Wages and (2) Insurance. These two impasse items are to be viewed as separate issues and this arbitrator shall select in his judgment the most reasonable offer on each impasse item as required by Section 20.22 (11) of the Iowa Code.

POSITION OF THE PARTIES FOR EACH IMPASSE ISSUE

(1.) WAGES

Current Contract	BA Base	\$24,150	
District Arbitration Position	BA Base	\$24,925	+\$775
Union Arbitration Position	RA Rase	\$24 575	+\$425

Both parties agreed that the horizontal salary index was to be changed to 0.025 within the 2005-2006 master agreement and there was no substantial dispute on the costing of the proposals of each party. This position is stated by the District on Exhibit I-5, "For all practical purposes there is no real cost difference between the parties' positions*. ... The District has chosen to use the Association's costing to avoid a costing dispute since even under the Association's costing, the positions are nearly identical on a total package basis." Small differences were attributable to differences in the handling of FICA and IPERS contributions. The neutral appreciates that the advocates have been able to substantially agree on the sometimes contentious and complex issue of placing a dollar

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figure on the costs of the issues in dispute and the potential or possible settlement

packages.

(2) INSURANCE

Current Contract Language (Article 15)

15-1

The employer will pay monthly benefit equal to the cost of a single plan hospitalization

major medical, plus \$170. The single plan will be based on the following: 90/10 co-

insurance coverage if attending a provider, 80/20 if attending a non-provider, and on

prescription drugs. Deductible is \$100 per person and/or \$200 per family. 100%

coverage by the carrier after a maximum out-of-pocket expense of \$500 per person or

\$500 per family.

\$100/\$200 Deductible; OPM \$500/\$500; \$170 Board Paid

\$500/\$1000 Deductible; OPM \$1000/\$2000

\$750/\$1,500 Deductible; OPM \$1,500/\$3,000

District Arbitration Position

15-1

The employer will pay monthly benefit equal to the cost of a single plan hospitalization

major medical, plus \$170. The single plan will be based on the following: 90/10 co-

insurance coverage if attending a provider, 80/20 if attending a non-provider, and on

prescription drugs. Deductible is \$100 (\$500) per person and/or \$200 (\$1,000) per family.

100% coverage by the carrier after a maximum out-of-pocket expense of \$500 (\$1,000)

per person or \$500 (\$2,000) per family.

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\$100/\$200 Deductible; OPM \$500/\$500

\$500/\$1000 Deductible; OPM \$1000/\$2000; \$170 Board Paid

\$750/\$1,500 Deductible; OPM \$1,500/\$3,000

Association Arbitration Position

No change to current contract language.

15-1

The employer will pay monthly benefit equal to the cost of a single plan hospitalization

major medical, plus \$170. The single plan will be based on the following: 90/10 co-

insurance coverage if attending a provider, 80/20 if attending a non-provider, and on

prescription drugs. Deductible is \$100 per person and/or \$200 per family. 100%

coverage by the carrier after a maximum out-of-pocket expense of \$500 per person or

\$500 per family.

\$100/\$200 Deductible; OPM \$500/\$500; \$170 Board Paid

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\$750/\$1,500 Deductible; OPM \$1,500/\$3,000

OVERVIEW AND DISCUSSION OF "IMPASSE ITEM"

The current case at impasse between the parties poses an interesting and somewhat

unusual set of facts for this neutral. In almost all hearing instances, it is the union that

desires to increase the wage scales above the position of the employer. In this dispute it

is the Employer that desires higher wage scales. The Association is requesting a

substantially lower increase in salary. In the area of insurance, where commonly the

union would be asking for improved or increased benefits and be the moving party, here

the union is asking to remain at current contract language and the employer is the moving party wanting to change the deductibles and the specific plan which is fully reimbursed for the single premium. The parties are struggling with the appropriate balance of dollars flowing to and between the two impasse items. This "balance struggle" has existed over many years of collective bargaining between the parties although voluntary settlements have always been reached.

In "Final Offer Selection – Panacea or Pandora's Box" (19 N.Y.L.F. 567, 578-579. No. 8, 1974.), Arnold Zack states the following:

"It should be noted that the final offer selection procedure does not easily lend itself to issue by issue determination. Multiple proposals are too often intertwined and dependent upon one another. For example, whether certain fringe benefits should be granted, or more paraprofessional aides hired, depends upon the total amount of money allocated to the entire package. Twin issues such as whether or not an additional step should be added to the increment schedule, or longevity increases granted, cannot practically be separated in an issue by issue final offer selection. Such related items are best handled on the package basis."

The Iowa Supreme Court in discussing Chapter 20 states:

"In our opinion these sections (20.23 and 20.22(11) are an attempt to carry out the objectives of final offer arbitration. Together they make it imperative that the parties present reasonable offers at the fact-finding stage, which in itself promotes settlement. They encourage settlement after fact-finding and prior to arbitration." (286N.W.2d118) Given the legislative removal of fact-finding from the statute relating to teacher negotiations, a third option or proposed middle ground regarding the issues before this

neutral is unavailable. Such a proposed middle ground may well have been more palatable to both the parties and certainly this neutral. It is equally clear that the legislature intended to carry out the objectives of final offer arbitration through a system mandating subject category final offers. If the parties are sensitive to what will be perceived as reasonable by the arbitrator, they will tend to tailor their final offer in that manner. While the parties acknowledge there are two distinct impasse issues, wages and insurance, the parties are perceived as pushing the neutral to look at a "mixed" final offer "total package". That is to say, the award of one party's more reasonable position either precludes or leverages the position of the other party whether or not reasonable. That is a path which this neutral chooses not to walk down. Each impasse item will be considered separately and stand or fall on that item's merits or lack thereof.

ARGUMENTS OF THE PARTIES

The District argues that past bargaining history and comparability are the two strong tenets of its case and the District is appearing before this neutral to obtain needed changes in the master agreement which it was unable to obtain at the bargaining table over the past several years. The District states that they are not seeking a major concept change regarding insurance, rather, a determination to fund a different plan of the three plans which are now offered and will continue to be offered. This change is supported by comparability with other school districts.

The District admits they do not pay well and places the reason for lower pay practices on the door of paying for a better insurance plan. They state they want to reward experience and professional training and to that end have moved from a fixed dollar to an indexed salary schedule for next year. The District also argues that the current salary

schedule makes it difficult to entice new hires and that salaries in the Belle Plaine District are slipping on the average when compared to other districts. In fact, it is this deterioration in pay practices over the years that has brought the Employer to seek this needed base increase through the hearing process.

The Association presents in their argument that past bargaining history, average settlements, and maintenance of bargained language are the corner posts of their case. They argue the savings to the District this year on insurance is minimal compared to the tremendous impact of the deductibles on the employees. They note the District has been receiving economical rates on the insurances and it was indeed the employees' choice to keep salaries lower for the benefit of placing more dollars towards insurance. Those costs were included in earlier settlements and understood by both parties. Finally they argue that there is nothing special or extra in this bargain that would provide them the incentive to want to change the insurance plan used by the bargaining unit.

WAGES

The Association presented its case for a \$24,575 BA Base, or \$425 increase, around two comparability groups – one group consisting of the South Iowa Cedar Conference and a second group with twenty school districts comprising the "10 Larger/10 Smaller" in student enrollment

The **District**, in supporting its position of a higher \$24,925 BA Base, or \$775 increase, selects the South Iowa Cedar Conference as one comparability group and then adds to that several other comparability groups such as 5 Larger/5 Smaller within Area Education Agency 10, statewide, AEA 10, enrollment size 3, enrollment sizes 2-3-4, etc. The neutral notes both parties have strategically included some comparative information while excluding, or at least not making available, other comparative information. One of the jobs of this neutral is then to analyze the comparable groups and provide appropriate weight to the information which they impart or to question the different type of information provided (and even to determine what is missing). As an example, the neutral finds it very interesting that while both parties chose to use the South Iowa Cedar Conference as a comparison group, the Association uses it only for insurance contribution amounts, insurance language, and total package settlements for next year. The District compares average salary and experience for the SIC Conference, as well as all employee dollar benefits, deductibles and out of pocket maximums, and some other items. Neither party provided for the record in a single exhibit the complete SIC Conference settlements, including BA Base increase, average salary increase, insurance changes and increases, total package, and appropriate per cents. One of the challenges for this neutral is to find and logically assimilate the information contained in many different forms on many different exhibits of the parties.

While both parties claim past bargaining history supports their final offers, neither party has placed into the record any comprehensive negotiation history as it relates to <u>previous</u>

Belle Plaine salary settlements – save for the year preceding this contract. One year does not generate a bargaining history for this neutral. The record is void of any past

collective agreements or past bargained settlements, especially relating to salary, or any historic internal or external salary comparisons. While Association Exhibit #13 and District Exhibit I-10A provide a brief historical glimpse of bargaining, they are both mainly focused on the insurance issue discussed later. District Exhibit S-13 indicates only the total package figures for the previous four years. While professing to this neutral the great need for salary schedule improvement and higher salaries, the District introduces in Exhibit I-10 its own initial salary proposals for each of the last five years that maintain the current salary schedule, and provide no vertical step movement and/or freezing the career increment in some years. Given the dichotomy of these positions and the current final offer of the District, the neutral is left to wonder the extent of this salary schedule improvement priority or the strategy behind it.

The District claimed it was having a problem hiring new teachers; however, no record was presented as to the specifics of the hiring problem. In looking at Association Exhibit #4 relating staff placement, it noted that staff are scattered relatively uniformly throughout the schedule, including twelve staff members on the first five steps of the salary schedule. This is indicative that new hires have been made in recent years.

The District shows that while being the second largest SIC Conference school, Belle Plaine is \$770 below the average salary while its staff members possess more average experience by 0.4 years (District Exhibits CM 4, 6, 8). When compared with the previous year's average SIC Conference salary, this is a drop of \$489 from the figure last year of \$281 below average (District Exhibit CM 8). This and other evidence in the record is indicative that a salary schedule problem is developing which both parties should take seriously.

District Exhibit CM 11 bothers this neutral given of the 19 potential comparison districts surveyed, only nine responded with two larger and seven smaller districts. It is noted that the Belle Plaine salary schedule seems to have a comparative salary schedule problem especially as Belle Plaine teachers acquire more experience and training.

Association Exhibit #16 indicates an athletic conference total package settlement trend of 4.15%, while Association Exhibit #17 indicates 4.27% average total packages for districts with less than 0% regular program increases, and Association Exhibit #18 shows total package settlements at 4.55% on a statewide basis. District Exhibits S-16, S-17, and S-18 provide total package settlement figures ranging from a 3.83% average settlement summary, to a statewide figure of 4.38%, to a neutral award of a 4.51% total package. District Exhibits S-2 through S-13 can be summarized on the table provided below. Most, if not all, District comparison groups are summarized. Since these are already averages, there is no significance in finding additional averages. In comparing the figures, the District final offer on salary is consistently on the high side and the Association final offer is on the low side. As will be discussed again in the insurance section, this neutral has a concern about making adjustments that are too extreme. This is especially true when the parties have a bargaining history of not placing dollars on the salary schedule. The Association during the hearing also indicated that its members were aware of the history of maintaining insurance and stated that "our choice is to keep salaries down". Given the data cited above, it is this neutrals strong recommendation that that philosophy be revisited in the very near future and prior to the next round of negotiations.

District Exhibits Summary for BA Base Increase and Average \$ Increase

Group	BA Base Increase	Average \$ Increase	
Comparison	\$563	\$1284	
AEA 10	\$652	\$1523	
0 – 12.36 NM	\$600	\$1540	
< -1% NM	\$814	\$1457	
< 0% NM	\$557	\$1358	
Size 2-3-4 w/ -NM	\$552	\$1326	
Size 2-3-4 w/ -1% NM	\$862	\$1378	
Size 2-3-4	\$574	\$1459	
Size 3	\$652	\$1489	
Size 3 w/ < 0 NM	\$617	\$1434	
District	\$775	\$1573	
Association	\$425	\$1093	

The District indicated at the hearing that it had a problem with its pay practices. This is despite <u>moving the opposite direction</u> in its initial proposal.

From the record as presented, this neutral has determined that the Belle Plaine District does have an emerging problem with the salary schedule pay practices. While having

more experienced staff on the average than comparable districts, the longer a professional educator remains in the Belle Plaine District, the farther the educator slips below comparable salaries. This is due to the weak nature of the salary schedule construction. The movement to the indexed schedule will hopefully provide some relief and the parties are to be commended for seeking and agreeing to such incremental solutions. The best estimate of this neutral is that larger future changes will need to be made to the salary schedule and pay practices of the Belle Plaine District if it is to remain competitive and not fall behind nearby districts.

This neutral believes that the lower salaries are due at least in part to much lower than average regular program increases precipitating lower than average settlements. If average or slightly above average settlements, as compared to a statewide group, were reached in the past five years and those increased dollars were applied to the salary schedule for improvements, the salary differentials would not be as large. This result is not the fault of Association but the statewide funding practices which have hit the Belle Plaine District. This neutral knows few people that would turn down legitimate salary increases. While the Association could have pressed harder for higher settlements, they were responsive to the District's financial pleadings. Thus, teachers now should not be asked to fund taxable salary increases from previously negotiated insurance dollars.

The District has been able to demonstrate that it has a salary problem that needs to be addressed. The District and the Association have agreed to salary schedule improvements with the new index and credit for professional coursework. The extent and full impact of these changes remains to be seen, however, these are good first steps and indicate an incremental solution to the problem. The District's BA Base increase of \$775

is just too large to fit within the parameters of an average settlement total package and is too extreme for this particular round of negotiations.

This neutral has not overlooked the cost and the budgetary impact related to settlement of this dispute. Both parties indicated at the hearing and within respective exhibits that increased costs in the neighborhood of \$105,000 were acceptable and reasonable. Such a cost increase would provide a total package of approximately 4.0%. While there is an increased cost associated with this settlement, there is also the cost of doing business in the professional education arena. This award is within the cited parameters of acceptability for both the District and the Association. This neutral thus feels it is unnecessary to address in depth the ability to fund this settlement. The neutral also realizes whether balancing a personal budget or the budget of a school district, the choices are not always easy. They become a matter of personal priorities and district priorities. I am confident that the funds exist to fund this award without causing any District hardship.

This neutral wants the parties to bargain any new salary concepts and define any new concepts at their negotiation table. If this is not done, the parties will be at arbitration once again in the near future. This neutral at this time is not going to redefine historic priorities. The lower BA Base is found to be the most reasonable position at this time.

WAGE AWARD

The Association's position on wages is the most reasonable when looking at the record as a whole and is hereby awarded.

INSURANCE

The entire area of health insurance with the complex and convoluted changes in cost. coverage, and benefit levels are of substantial concern to this neutral. There are many relevant factors that could potentially have a bearing on this insurance issue. While cost, as it relates to deductibles and out of pocket expense, is certainly one factor in the insurance benefits area, both parties could have provided more information in the exhibits for analysis and review - especially as it relates to the historic bargaining over this issue and the give and take that has occurred over the years. There is no magic formula for the determination or selection of insurance plans. Consequently one of the compelling considerations must be what has happened in free and successful collective bargaining. This indicates how experienced bargainers have evaluated the insurance influencing factors which have evidenced themselves, and what they consider to be 'just'. Testimony indicated that the District and the Association have bargained since the 1970's and this is the first time the parties have been unable to resolve issues on a voluntary basis. Such a lack of impasse hearings is generally indicative of a quality relationship between the employer and the union, and this neutral believes that to be the case here in Belle Plaine. Both parties also admitted a past propensity to place settlement dollars into the insurance area at the expense of pushing the base higher.

While the record could be more complete and detailed in its total presentation of the insurance issue, the neutral is relegated to the review the record made before him. The record contains much information and many facts; however, some of the corresponding puzzle pieces related to responding to the other party's arguments seem to be missing. This record has both parties clearly focused on the issue of which plan the District will

use to determine the insurance payment practices. At first blush, the neutral finds the position of the Association too rigid and lacking any movement, while the position of the District is too drastic and causes too much change in a short amount of time. That said, the most reasonable position must be determined between the two final offers.

Related to the bargaining history of the insurance article, the Association in A-13 shows that essentially the same language has been in the contract for the past fifteen years with a minor change in out of pocket expense in 1999-2000. No information exists related to earlier bargaining or settlements and the trades that were made at the table to voluntarily allow both parties to reach agreement. While the Association argues that there is nothing special on the table this year that would motivate change, it provides no insight into what the actual trades were in previous years to precipitate voluntary settlements. Such information might include whether the Association asked for salary improvements and the nature and type, or the base increases and salary schedule comparisons, or even other language changes in other parts of the collective agreement. While insurance and salary dollars are on a bargaining seesaw, both parties make the generic point that historically settlement dollars have tipped more toward insurance than salary schedule improvements.

The District in I-10 shows the initial opening positions of the District related to bargaining from 1999 to 2005. The District does propose a change in insurance each year. A problem develops if this neutral gives weight to that set of facts, because then weight must also be given to the fact that the District also initially proposed maintaining the current salary schedule each year, with no vertical step movement for some years and freezing the career increment in others, which seems to contradict their expressed

interest in improving the salary schedule for next year. This would seemingly place the District in the analogous position of stonewalling the salary schedule improvements as they claim the Association is doing with the insurance changes. The record is void of Association initial positions or counterproposals or settlements so this exhibit has little probative value. The ending point and the how and the why of getting there would prove more valuable to this neutral.

In looking at the comparables used by the parties, one must be cognizant of the various components – single deductibles, family deductibles, out of pocket maximums for single and family, single and family premiums, single and family contributions, etc. The District in I-13 makes Conference comparisons and in I-14 makes +5/-5 AEA 10 comparisons. The following chart can be used to better compare the deductibles and out of pocket maximums covered in these groups as presented in District Exhibits:

Plan District Covers Summary

Averages	SD	FD	SOPM	FOPM
Conf (I-13)	\$317	\$544	\$861	\$1575
+5/-5 AEA 10 (I-14)	\$360	\$650	\$875	\$1650
BPEA/Current	\$100	\$200	\$500	\$500
District Proposal	\$500	\$1000	\$1000	\$2000

SD = Single Deductible

FD = Family Deductible

SOPM = Single Out of Pocket Maximum

FOPM = Family Out of Pocket Maximum

The current averages are found somewhere between the BPEA/Current and the District's final offer. Other comparisons produce varying but similar results. Here the neutral notes that the District's position does not level the playing field but swings the pendulum to the opposite side. In considering the District's final offer, there is concern whether this action will move toward solving a problem or create another equal but opposite problem. This table also clearly tells the Association that maintenance of its current position cannot continue ad infinitum and the Association should be looking for creative and acceptable insurance modifications in the future. The table tells the District as it looks at changes to be more creative and more incremental, or at least less drastic, in the proposed changes.

This "incrementalism" concept seemingly has been used with the improvements in the salary schedule structure and lane advancement and should allow the parties to test the waters of change. The bargaining ground beneath the feet of the parties is changing and they need to be prepared to respond to the change accordingly – whether that change is in school funding or insurance plan changes.

The Association shows in A#10 within the South Iowa Cedar Conference, that the Belle Plaine District is \$45 <u>below</u> the total average district contribution. This fact is probably due to the wide distribution of staff on the scattergram as evidenced in A# 4 resulting in lower premiums. Exhibit A#11 indicates that the total District contribution in Belle Plaine is \$135 <u>below</u> the total average district contribution in the +10/-10 enrollment group. These exhibits indicate that the amount of money contributed toward the insurance premium by the Belle Plaine District is not excessive or extreme for the benefit provided.

In looking at the utilization of insurance benefits, District Exhibit I-5B shows that 35 of 36 employees electing insurance take the currently funded plan. No employee takes the option which the District has posed as its final offer. If employees were forced to move to the \$500/\$1000 plan through a process of adverse selection, they would have to accept the responsibility for potential insurance cost <u>increases</u> ranging from \$400 to \$1500 next year. With approximately one-third of the professional staff making between \$25,000 and \$35,000 annually, this could indeed become a major burden to individuals. While the District indicates this is not a concept change and the Association calls it a huge change, it is found to be a significant change.

While neutrals certainly can and have changed contract language, it is also better if the local parties reach a voluntary agreement on items of such importance and complexity as insurance. This allows the parties to better understand the premium, coverage, and benefits, and then mutually fashion an insurance plan that best meets the needs of both parties, and perhaps even reach a better balance with other contract provisions. In this impasse, such a voluntary change was not achieved. In striving to find the most reasonable position between the two final insurance offers, this neutral is not impressed with either final offer. The neutral must select one of these final offers, although other alternatives may have been available to the parties and, perhaps, would have been even more palatable to all involved. The neutral tried to find the compelling reasons to change language as argued by the District but was unable to do so. In reviewing the cited awards and comments of other neutrals, this arbitrator notes that each case seemed to have a unique set of facts, data, and history that tended to differentiate those cases from this case. While providing some guidance in my determination, it is the evidence before me in this record that guides my final decision.

The final offer of the District is too extreme and produces results that would be too harsh and impact the longstanding relationship of the parties. Based on the bargaining history and "quid pro quo" exchange of the parties, the comparability provided, the previous voluntary agreements containing similar priorities, and the data record as a whole, the position of the Association is slightly more reasonable and is thus sustained.

INSURANCE AWARD

The position of the Association regarding insurance is the most reasonable and is thus awarded and current language is maintained.

RECE/VED 2005 JUN 29 AM 10: 05 PUBLIC EMPLOYMEN RELATIONS BOARD

CERTIFICATE OF SERVICE

I certify that on this 28 day of June, 2005 I served the foregoing
Arbitration Award upon each of the parties to this matter by mailing a copy to them at
their respective addresses as shown below:

Gary Ray

David R. Ulrick

4403 First Avenue SE, Suite 407

240 Classic Car Ct. SW, Suite B

Cedar Rapids, IA 52402

Cedar Rapids, IA 52404

I further certify that on this 28th day of June, 2005, I have submitted this award for filing by mailing it to the Iowa Public Employment Relations Board, 510 East 12th Street, Suite 1B, Des Moines, Iowa 50319-0203.

Dennis A. Krueger, Arbitrator 1108 6th Street

West Des Moines, Iowa 50265